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1 TO THE HONORABLE LYNNE RIDDLE, UNITED STATES BANKRUPTCY JUDGE;
2 THE OFFICE OF THE UNITED STATES TRUSTEE; AND PARTIES REQUESTING
3 SPECIAL NOTICE:

4 PLEASE TAKE NOTICE that the Joint Committee of
5 Creditors Holding Unsecured Claims (the "Joint Committee")
6 appointed in the above-captioned, jointly administered chapter
7 11 cases of First Alliance Mortgage Company and related entities
8 (collectively, the "Debtors"), have submitted to the Office of
9 the United States Trustee their "Application of the Joint
10 Committee of Creditors Holding Unsecured Claims to Employ Klee,
11 Tuchin, Bogdanoff & Stern LLP as Bankruptcy Counsel" (the
12 "Application").

13 PLEASE TAKE FURTHER NOTICE that the Application
14 requests that the Court enter an order authorizing the Joint
15 Committee to employ Klee, Tuchin, Bogdanoff & Stern LLP
16 ("KTBS") as its bankruptcy counsel. The Joint Committee
17 requires bankruptcy counsel to render such ordinary and
18 necessary legal services as may be required in the context of
19 these chapter 11 cases.

20 KTBS will be employed on an hourly basis, effective
21 as of March 23, 2000, at the expense of the Debtors' estates.
22 KTBS will receive a retainer in the amount of \$75,000.00 (the
23 "Chapter 11 Retainer") to secure payment of its fees for
24 services rendered and expenses incurred in connection with these
25 cases. Each month, KTBS will first submit to the Chairperson
26 and Vice Chairperson of the Joint Committee for their review and
27 approval, and thereafter file with the Court and serve on both
28 the U.S. Trustee and counsel for the Debtors, an invoice for

1 services rendered and expenses incurred in connection with these
2 cases. The invoice will be submitted by no later than the 20th
3 day after the end of the month during which the professional
4 services were rendered and expenses incurred.

5 If no written objection is filed with the Court and
6 served on KTB&S with respect to the amount of the monthly
7 invoice within ten (10) days after the service of the invoice,
8 then the Debtors promptly will pay the invoice, subject to any
9 "holdback" on professional fees that may be established by the
10 Court. If an objection is timely filed and served, the Debtors
11 shall pay to KTB&S only the undisputed amount of the invoice,
12 until such time as the objection has been resolved by this
13 Court. If the Debtors fail to make payment of any undisputed
14 amounts within twenty (20) days after payment becomes due, KTB&S
15 shall withdraw that amount from the Chapter 11 Retainer, and, in
16 the following month, shall invoice the Debtors for both (i) the
17 fees for services rendered and expenses incurred in connection
18 with these cases during the prior month, and (ii) any amounts
19 withdrawn by KTB&S from the Chapter 11 Retainer, such that the
20 Chapter 11 Retainer is replenished to \$75,000.00.

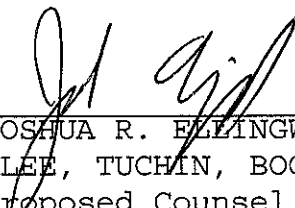
21 **PLEASE TAKE FURTHER NOTICE** that copies of the
22 Application may be obtained by written request to: Shanda D.
23 Pearson, Paralegal, Klee, Tuchin, Bogdanoff & Stern LLP, 1880
24 Century Park East, Suite 200, Los Angeles, California 90067.

25 **PLEASE TAKE FURTHER NOTICE** that any response to and
26 request for a hearing on the Application must conform with Local
27 Bankruptcy Rules 2014-1(2)(b) and 9013-1(1)(g), must be filed
28 with this Court no later than 15 days from the date of service

1 of this notice, and must be served no later than 15 days from
2 the date of service of this notice on: (1) the Joint Committee's
3 proposed reorganization counsel, David M. Stern, Esq., Klee,
4 Tuchin, Bogdanoff & Stern LLP, 1880 Century Park East, Suite
5 200, Los Angeles, California 90067; and (2) the Office of the
6 United States Trustee, 411 West 4th Street, Suite 9041, Santa
7 Ana, California, 92071-8000. Local Bankruptcy Rule 9013-1(k)
8 provides that the failure to timely file and serve required
9 papers may be deemed by this Court to be consent to the granting
10 of the relief requested in the Application.

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DATED: May 18, 2000


JOSHUA R. EZZINGWOOD, a Member of
KLEE, TUCHIN, BOGDANOFF & STERN LLP
Proposed Counsel for the Joint
Committee of Creditors Holding
Unsecured Claims

DECLARATION OF SERVICE

I am over eighteen years of age, and I am not a party to this action. I am employed by Klee, Tuchin, Bogdanoff & Stern LLP, and my business address is: 1880 Century Park East, Suite 200, Los Angeles, California 90067-1698. Klee, Tuchin, Bogdanoff & Stern LLP employs a member of the bar of the State of California at whose direction this service was made.

On May 18, 2000 I served the following pleading:

NOTICE OF SUBMISSION TO THE OFFICE OF THE UNITED STATES TRUSTEE OF "APPLICATION OF THE JOINT COMMITTEE OF CREDITORS HOLDING UNSECURED CLAIMS TO EMPLOY KLEE, TUCHIN BOGDANOFF & STERN, LLP AS BANKRUPTCY COUNSEL"

on the interested parties in this action by placing true and correct copies of the pleading with the United States Postal Service, enclosed in sealed envelopes, with postage fully paid, addressed as indicated on the attached list.

See Attached Service List

I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED on May 18, 2000 at Los Angeles, California.


Jan E. Michael, Declarant

Debtor
Francisco Nebot, President
FAMCO entities
17305 Von Karman Avenue
Irvine, CA 92614-6203

Counsel for the DIP
William N. Lobel, Esq.
Irell and Manella
19800 MacArthur Blvd.
Irvine CA 92612-2425

Arthur Marquis Esq.
Office of the United States Trustee
411 W. Fourth Street, Ste. 9041
Santa Ana, CA 92701-8000

Counsel to Creditors Committee
Michael L. Tuchin Esq.
Klee, Tuchin, Bogdanoff & Stern LLP
1880 Century Park East, Suite 200
Los Angeles, CA 90067

Creditors Committee Member
Carney Direct Marketing
Attn: Diana M. Arroyo V.P. Operations
15520 Rockfield Blvd., Suite C
Irvine, CA 92618

Creditors Committee Member
Pacific Admail
Attn: James G. Corey, President
1909 South Susan St.
Santa Ana, CA 92704-3901

Creditor Committee Member
Tension Envelope
Attn: Stanley D. Moskovitz, VP
P.O. Box 9037
Temecula CA 92589

Creditors Committee Member
Mark K. Mason
Fidelity Federal Bank
4565 Colorado Blvd.
Los Angeles, CA 90039

Creditors Committee Member
Direct List Technology, Inc.
Attn: Tom Philip, Controller
1950 West Corporate Way
Anaheim, CA 92801-5373

Creditors Committee Member
American Association of Retired Persons
c/o Phillip M. Steinbock, Esq.
Steinbock & Hofman
One Almaden Blvd., #200
San Jose, CA 95113

Creditors Committee Member
David B. Zlotnik, Esq.
1010 Second Ave., Suite 1750
San Diego, CA 92101

Creditor Committee Member
Miller/Davis Company
Arun Dube, Chairman & CEO
2575 University Ave West, Suite 200
St. Paul MN 55114-1069

Brown Rudnick Freed & Gesmer
Attn: Marilyn D. Stempler Esq
One Financial Center
Boston, MA 02111

Skadden, Arps, Slate, Meagher & Flom, LLP
Alan Kriegel, Esq.
1440 New York Avenue NW
Washington, DC 20005

Counsel for Lehman Bros
Joshua Divack, Esq./Jeffrey Schwartz, Esq.
Hahn & Hessen
350 Fifth Avenue
New York, NY 10118-0075

Co-Counsel for Lehman Bros
Craig Barbarosh, Esq.
Pillsbury Madison & Sutro
650 Town Center Drive, 7th Floor
Costa Mesa, CA 92626-7122

Secured Creditor Lehman Brothers
Attn: President/Credit Manager
101 Hudson Street
Jersey City, NJ 07302

Secured Creditor
GMAC, Attn: President/Credit Manager
Commercial Mortgage
PO Box 100116
Pasadena, CA 91189-0116

Secured Creditor, GMAC
Attn: President/Credit Manager
Commercial Mortgage
55 South Lake Ave., #230
Pasadena, CA 91101-2602

Comerica Bank
Attn: Lucy Alfonso
611 Anton Blvd., 2nd Floor
Costa Mesa, CA 92626

Counsel to Fidelity Federal Bank
Lance N. Jurich, Esq.
Loeb & Loeb
1000 Wilshire Blvd, Suite 1800
Los Angeles, CA 90017-2475

Mr. Richard Yates
Lehman Commercial Paper, Inc.
200 Vesey Street
New York, NY 10285

The Ohio National Life Insurance Co
Attn: Mortgages and Real Estate
One Financial Way
Cincinnati, OH 45242

GMAC Commercial Mortgage Corp.
Attn: Mark Durovka
150 South Wacker Drive, Ste. 2800
Chicago, IL 60606

Counsel to Daehnke & Cruz
R. Gibson Pagter Jr., Esq.
Pagter and Miller
P.O. Box 11300
Santa Ana, CA 92711

Counsel to Ohio National
William Walker, Esq.
Coudert Brothers
333 So. Hope Street
Los Angeles, CA 90071

Counsel to MBIA
Bruce A. Wilson
Kutak Roack LLP
1650 Farnam Street
Omaha NE 68102

Stephen Holliday
MBIA Insurance Corporation
113 King Street
Armonk, NY 10504

Counsel for Direct List Technology
Bewley, Lassleben & Miller, LLP
13215 East Penn Street, Suite 510
Whittier, CA 90602-1797

Routh Crabtree & Fennell
P.O. Box 4143
Bellevue, WA 98009-4143

Zachary Mosner
Assistant Attorney General
900 Fourth Avenue, Ste. 2000
Seattle, WA 98164

Nevada Department of Taxation
1550 E. College Parkway, Ste. 100
Carson City, NV 89706

Attys Financial Security Assurance Inc.
Hydee R. Feldstein/Carl T. Anderson
Paul, Hastings, Janofsky & Walker LLP
555 S. Flower St., 23rd Floor
Los Angeles, CA 90071-2371

Peter A. Chapman
24 Perdicaris Place
Trenton, NJ 08618

Christopher Beard, Esq.
Beard & Beard
4601 North Park Ave.
Chevy Chase, MD 20815

Sarah D. Moyed, Esq.
Securities and Exchange Commission
5670 Wilshire Blvd., 11th Floor
Los Angeles, CA 90036

Attys for Chase Manhattan Bank
David E. Retter, Esq.
Kelley Drye & Warren LLP
101 Park Avenue
New York, NY 10178

Mr. Craig M. Kanton
Vice President, Structured Finance Services
The Chase Manhattan Bank
450 West 33rd St., 14th Floor
New York, NY 10001-2697

Attys for AARP, et al.
Larry W. Gabriel, Esq.
Ira D. Kharasch, Esq.
Pachulski, Stang, Ziehl & Young
10100 Santa Monica Blvd., Suite 1100
Los Angeles, CA 90067